



LINDSTROM INSURANCE

EMPLOYEE BENEFITS • LIFE AND DISABILITY INSURANCE

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Penalty for Not Having Health Insurance in 2016



For 2016, the fine for not having Minimum Essential Coverage is the greater of \$695 per person or 2.5 percent of taxable household income for those who are above the threshold for filing taxes.

If you'd like to see how this will affect you and your family, you can use the Tax Policy Center's Affordable Care Act penalty calculator. The website is: <http://taxpolicycenter.org/taxfacts/acacalculator.cfm>

1095 forms Deadline March 31, 2016

Carriers have started sending out the form 1095 to subscribers. The deadline to mail is the end of March, but you can file your taxes without the form as these are "informational". We recommend you check the form when it arrives and contact the carrier if you see any errors.

If your 1095 from Covered California is incorrect, don't assume that Covered California will correct it on their own. You need to submit a "1095A Dispute Form" found on their website at:

https://forms.nintex.com/FormHost.aspx?id=FV63pHI3AmOIN5ru6fPkreV5UeQCEduFwhQpns6PIBz2VdwzdHA8fVj7IPmkluZw3PUHu7yCU4PLT5_aullAG-pYICcHP2O5_pxPI2dl6LAOdQvQ-9QE2dQhmCGu9RM&TZOffset=480&TZStOffset=-480&HasDST=true

For general information on 1095A, <http://www.coveredca.com/members/form-1095-a/>

Did You Upload Required Documents to Covered California?

As a condition of obtaining coverage, proof of income, proof of citizenship, documentation of legal residence, school attendance, loss of other health insurance, etc., may be required. Generally, Covered California gives 90 days to accomplish this, so it's easy to forget about the requirement.

To see if there are any documents needed, please login to your Covered California account and go to the eligibility page.

Reading down the page, look for anything that says "Submit Documents" in blue OR from your Welcome page, look at the right hand column for the words "manage verifications". Call us if you have any questions.

Anthem Blue Cross Loses El Camino Hospital from Their Networks

Blue Cross announced this week that they have been unable to reach an agreement with El Camino Hospital for both locations in Mountain View and Los Gatos. As a result, the contract terminated effective February 29, 2016. Letters are being mailed to members and employers.

Medicare Supplement clients are not affected, but other clients with HMO, PPO, EPO or POS plans will need to make a change for future services in order to enjoy the higher, in-network benefits.

Provisions exist for “continuity of care” for those individuals who are in the middle of receiving treatment. Watch your mail for details. Also, note that many doctors who have admitting privileges with El Camino Hospital will also have admitting privileges at other network facilities, such as Good Samaritan, O’Connor Hospital, Stanford, etc.

2016 Retirement Plan and Health Savings Account Limits



The Social Security Wage base for 2016 is now \$118,500 (unchanged from last year). The rates remain unchanged at 6.2% for FICA and 1.45% for Medicare.

Funding limits for employee payroll contributions to qualified retirement plans in 2016 are:

Type Of Plan	Regular Amount	Additional Catch Up*
401K, 403b annuity and 457 Government	\$18,000	\$6,000
SIMPLE-IRA	\$12,500	\$3,000

*An employee must be at least age 50 by December 31, 2016 to contribute the “catch up” contributions for retirement plans.

H.S.A.	2016	2015	2014
Maximum Contribution (Single)	\$3,350	\$3,350	\$3,300
Maximum Contribution (Family)	\$6,750	\$6,650	\$6,550
Catch-up Contribution (age 55+)	\$1,000	\$1,000	\$1,000
Minimum Deductible (Single)	\$1,300	\$1,300	\$1,250
Minimum Deductible (family)	\$2,600	\$2,600	\$2,500

Please remember to consult your tax professional if you maintain your qualified high-deductible health plan for less than a full year. If two spouses are age 55 and older, each must maintain a separate Health Savings Account in order for both to take advantage of the “catch up” contribution.

MEDICARE HEALTH INSURANCE	
1-800-MEDICARE (1-800-633-4227)	
NAME OF BENEFICIARY JOHN DOE	SEX MALE
MEDICARE CLAIM NUMBER 000-00-0000-A	EFFECTIVE DATE 01-01-2007
IS ENTITLED TO HOSPITAL (PART A)	EFFECTIVE DATE 01-01-2007
MEDICAL (PART B)	
SIGN HERE →	

Eligibility for Medicare Requires Disenrollment from Covered California

Anyone currently purchasing health insurance through Covered California needs to be aware that **Medicare coverage makes you ineligible for your current subsidized plan.**

Claims paid through Covered California plans after you have Medicare may be reversed and must be re-submitted through Medicare and your supplement, Part D, or Medicare Advantage plan. If you don't have a supplement or other coverage in place, you could be responsible for thousands of dollars in claims you thought were covered by your health plan. Please call us for clarification if you have any questions.

If we assisted you with your Covered California policy, we can also help you get that coverage cancelled. If you purchased coverage directly, you'll need to terminate coverage through the website or by phoning customer service at 800-300-1506. We recommend you make the call during the month before Medicare starts.

Prescription Medication at a Local Pharmacy vs Mail Order

We're hearing from our clients that picking up prescriptions at a local pharmacy when a plan also offers Mail Order benefits has just become a little more complicated.

When you pick up your regular prescription, you may be asked to "opt out" of the mail order program in favor of getting your medications at the local pharmacy. If you don't take this step, your plan may not cover the prescription.

If this happens to you, you'll need to phone the number on the back of your ID card (your pharmacist will help you find the number) and let the mail order vendor know you'd prefer to use a local pharmacy. You may want to confirm the copayment amount for your prescriptions before deciding which method is best for you.

If you have a 'one time' prescription for something like Poison Oak or Strep Throat, you'll likely not have this situation arise. Give us a call if you have questions.



Individual Health Insurance and Covered California Special Enrollment Periods

The open enrollment period for Individual Insurance, both through Covered California and direct through carriers is now closed.



The next opportunity to purchase insurance for individuals and families without a qualifying event will be November 1, 2016 through January 31, 2017. You may only enroll in an individual plan (either on-exchange, through Covered California, or off-exchange, with a carrier directly or through our website) if you have a “Qualifying Event”. Examples include:

1. Having a child or adopting a child, receiving a child into foster care, or placing a child in adoption or in a foster home.
2. Getting married or entering into a domestic partnership.
3. Losing health coverage (Medi-Cal or other coverage, such as employee benefits lost when your job ends or when you turn 26).
4. Change in address which allows access to new Covered California health insurance plans. This includes moving to California from another state, or being released from jail or prison.
5. Returned from active duty military service.
6. Being a member of a federally recognized American Indian or Alaska Native tribe.

If you'd like to read more about qualifying events, here's the link to the official website:

<http://www.coveredca.com/individuals-and-families/getting-covered/special-enrollment/qualifying-life-events/>

Vicki Melendy and Team in Training

Vicki is once again fighting blood cancers through the Leukemia Lymphoma Society's Team in Training Program. If you would like to make a difference toward a world without blood cancers, please consider donating to the Leukemia Lymphoma Society through Vicki's fundraising efforts.

This year, she'll be participating in at least two events. The website to learn more about the goal and the team and to possibly make a donation is:

<https://pages.teamintraining.org/svmb/yourway16/vmelendy>

All donations, large and small are gratefully accepted.

Carrier Contact Information

Carrier	Phone	Website
Anthem Blue Cross	800-333-0912	Anthem.com/ca
Blue Shield	800-393-6130	Blueshieldca.com
CIGNA	800-244-6224	Cigna.com
Covered California	800-300-1506	Coveredca.com
Health Net	888-926-4988 for Covered CA plans 800-522-0088 for plans outside of Covered CA	Healthnet.com
Kaiser	800-464-4000	kaiserpermanente.org

